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March 11, 2002

Via Electronic Filing
Mr. William F. Caton
Acting Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Ex Parte* Presentation
IB Docket No. 95-91

Dear Mr. Caton:

On March 8, 2002, Lon Levin and Phil Barsky of XM Radio Inc. ("XM Radio"); Bruce Jacobs and David Konczal of Shaw Pittman LLP, counsel for XM Radio; and Carl Frank of Wiley Rein and Fielding LLP, counsel for Sirius Satellite Radio Inc. ("Sirius"); met with Rosalee Chiara, Stephen Duall, and Richard Engelman of the International Bureau to discuss issues relating to the above-captioned proceeding in which the Commission is considering final rules for the operation of satellite digital audio radio service ("SDARS") terrestrial repeaters.

XM Radio and Sirius made clear that they each proposed a power cap of 40 kW EIRP for their terrestrial repeaters and that there is no reason for the Commission to cap power below this level. Inexpensive and readily available RF AGC for CPE and filters for base stations will solve the potential interference problems WCS licensees have identified with respect to higher power SDARS terrestrial repeaters. XM Radio and Sirius explained that RF AGC for CPE is an integrated chip solution available at no additional cost, filters for base stations are inexpensive, and that both techniques are standard in the wireless telecommunications industry. In fact, WCS licensees will need to employ these exact techniques to avoid interference from other WCS licensees and from SDARS repeaters operating at 2 kW or less. XM Radio and Sirius, which operate adjacent to each other, have deployed hundreds of repeaters throughout the country without causing interference to the base stations or user equipment that they each successfully operate using these exact techniques.

XM Radio and Sirius explained that requiring the SDARS licensees to reduce the power at which their repeaters operate will require a significant redesign of existing repeater networks, resulting in substantial costs and major disruptions of service. Moreover, a reduction in the use of higher power repeaters would require XM Radio and Sirius to deploy more lower power repeaters, which would increase potential interference to WCS receivers.

Contrary to the claims of some of the WCS licensees, repeaters with power levels up to 40 kW are important to overcome satellite blocking and shadowing. This is particularly true in

the Sirius system, in which—because it employs non-geostationary satellites—coverage gaps shift over the course of a day.

XM Radio and Sirius have received no valid complaints of interference while operating terrestrial repeaters pursuant to their STAs. XM Radio and Sirius explained that they would prefer to continue to operate on a non-interference basis pursuant to these STAs than to force a hasty Commission decision that does not adequately assess the impact on SDARS licensees of requiring a reduction in repeater power.

Finally, XM Radio and Sirius explained that they proceeded at their own risk in the construction of their repeater facilities, that no authority from the Commission was needed for such construction, that both SDARS licensees properly obtained experimental licenses to test their repeaters, and that the SDARS licensees' construction and operation of terrestrial repeaters have been fully lawful.

Please direct any questions regarding this matter to the undersigned.

Very truly yours,

David S. Konczal

cc: Rosalee Chiara
Stephen Duall
Richard Engelman